

STATE BOARD FOR CAREER AND TECHNICAL EDUCATION**Minutes of Meeting**

May 18, 2015

Members of the State Board for Career and Technical Education met at 9:30 a.m. CST, in the Peace Garden Room, State Capitol, Bismarck. The meeting was called to order by Dr. Brian Duchscherer, Chair. The following members were present:

Ms. Kirsten Baesler, Member
Ms. Cheri Giesen, Member
Ms. Debby Marshall, Vice Chair
Ms. Sonia Meehl, Member
Ms. Val Moritz, Member

Wayne Kutzer, Brenda Schuler, and Gwen Ferderer were also present. Dr. Duchscherer welcomed the board and audience members.

CONSIDERATION OF APRIL 20, 2015 MINUTES – Ms. Giesen moved and Ms. Marshall seconded to approve the minutes of the April 20, 2015 meeting as presented. The motion passed unanimously.

FINANCIAL REPORT - Mr. Kutzer reviewed the Appropriation Status Report and the Administrative Budget and Expenditures Report for month ended April, 2015, reporting that the total budget expended is in line with the time elapsed and that any state funds remaining at the end of the fiscal year will be distributed back out to schools on a percentage basis.

Following a brief discussion, Ms. Moritz moved and Ms. Meehl seconded to approve the financial reports as presented. The motion passed unanimously.

DIRECTOR'S REPORT – OMB salary increase guidelines have not been finalized. However, the legislature approved a three percent appropriation for state agencies with

employees receiving between a two to four percent increase based on performance. It is anticipated that the salary plan will be available by the June meeting.

Mr. Kutzer reviewed the 2015-16 performance measures ratings (yellow handout) reporting that the negotiation process with the Department of Education has been completed. The Department of Education will provide an opportunity to adjust the numbers this year due to the change in assessments.

Discussion was held on the lower targets and Mr. Kutzer responded that the targets were lowered through the negotiation process and as long as improvements in the numbers occur, there shouldn't be any issues.

Mr. Kutzer announced that North Dakota is one of three states that received an Incentive Grant this year. Minnesota, Rhode Island and North Dakota will split \$9 million. The grant was received because Job Service, Adult Education in DPI, and CTE all met their performance measures. The proposal to spend the \$3 million is currently being worked on and must be submitted by June 15. Included in the proposal: \$1.5 million to implement the Workforce Investment Opportunity Act; add an Energy Career Cluster to RUReady; update equipment in the Auto Tech programs at the Area Centers; and, teacher training in the Engineering by Design and Praxis areas.

2015 LEGISLATIVE SESSION – Mr. Kutzer reviewed the 2015-17 Biennium Budget information (white handout), reporting that the total budget of \$43,307,359 is split among three funding sources: General Fund \$33,609,472; Special Funds \$154,974; and, Federal Funds \$9,542,913. The agency has 26.5 FTEs due to one .5 FTE being eliminated.

Mr. Kutzer also explained that the \$700,000 received for CTE programming costs includes \$500,000 for cost to continue and \$200,000 to increase Family and Consumer Sciences reimbursement rates by two percent (salmon handout).

Discussion was held on how CTE is perceived by the legislature and what the potential is in the future to increase reimbursement rates. Mr. Kutzer responded that he feels legislators are generally supportive of CTE but it appeared this session that legislators were unable to provide the requested increases not only in the CTE budget but in all agency budgets due to the oil impact atmosphere. Mr. Kutzer reported that he will work more closely with legislators and legislative leadership in the interim regarding the importance of CTE programs and funding.

Discussion was also held on how schools and CTE programs are impacted by the formula used for property taxes.

Mr. Kutzer then reported that a study of career and technical education was placed in SB2031 Section 36. Legislative Management Study – Career and Technical Education (white handout). Legislative Council will be meeting on May 27 to determine what studies will be conducted in the interim. Mr. Kutzer stated that if SB2031 Section 36 is selected to be studied, it should be a positive for CTE.

HB1393 – STEM – provides for \$100,000 to be placed in the CTE budget to administer two conferences and STEM related activities during the school year.

HB1021 – ITD Desktop Support – provides funding for ITD to be responsible for all desktop support in the agency.

SB2031 – Autism and Technology Grant allows for the remaining funding from the current biennium be spent in the next fiscal year.

SECONDARY LICENSING REQUIREMENTS – 2,000 hour work experience requirement - Mr. Kutzer reviewed the background and rationale for the 2,000 hour work experience requirement for Marketing Education and Business Education (pink handout and purple handout) and reported on what the requirements are in other states.

Discussion was held on the 2,000 hour requirement and the issues that schools are having in filling positions or not receiving funding because of the requirement.

Also discussed was whether it was equitable or fair to have the 2,000 hour requirement when a Praxis option is now available. The board agreed that there needs to be consistency in all CTE licensing requirements.

Following further discussion, Ms. Marshall moved and Ms. Moritz seconded to remove the 2,000 hour work experience requirement in Business Education and Marketing Education. The roll call vote was as follows:

Ms. Meehl – aye
 Ms. Moritz – aye
 Ms. Marshall – aye
 Ms. Baesler - absent and not voting (left meeting at 9:50)
 Ms. Giesen - aye
 Dr. Duchscherer – aye

The motion passed unanimously.

PROPOSED 2015-2016 STATE AND FEDERAL FUNDING – Mr. Kutzer reviewed the Five Year Administrative Budget Comparison (green handout) reporting that Operating Expenses increased by \$198,670, for a total of \$642,170 and the Salaries and Wages line may be adjusted once the final figures are received from OMB, for a total of \$3,142,170.

Mr. Kutzer then reviewed the preliminary Fiscal Year 2016 General Fund Projections (blue handout) reporting that the 2015-2017 General Fund Appropriation is \$34,051,866 and the projected expenditures are split 48% for FY2016 and 52% for FY2017.

The State Funded Projections for FY2016 were reviewed which show the net obligations, including an anticipated four percent recovery, for FY2015 is \$15,867,727 and \$16,277,664 for FY2016. The Expanded and New Program Requests for FY2016 total \$80,987, as of May 11, with more requests being submitted.

Mr. Kutzer reviewed the Carl Perkins Obligations for FY2016, reporting that the Carl Perkins Funds available of \$4,214,921 have been the same amount for the past several years and the split between secondary and postsecondary remains the same at 65%/35%. Also reviewed was the FY2016 Carl Perkins Allocations (goldenrod handout) categorized by consortiums, single districts and postsecondary institutions.

Discussion was held on the term workforce training on the General Funds Projection information. It was determined that another term should be used since so many agencies are involved in workforce training. Mr. Kutzer responded that TrainND is the term that should have been used and will get it changed.

Mr. Kutzer also reported that based on current expenditures submitted, it appears there will be a supplemental payment sent to schools at the end of the current fiscal year.

Following more discussion, Mr. Kutzer reported that the budget will be on the June Board meeting agenda for final consideration.

CAREER AND TECHNICAL STUDENT ORGANIZATION CONFERENCE – Mr. Kutzer invited board members to attend the FFA Conference that will be held in June and asked board members to contact him if interested in bringing greetings at the conference banquet.

OTHER – Professional Development Conference dates - August 10-12, 2015.

FUTURE MEETINGS – The June board meeting is scheduled for Monday, June 15, 2015, in Bismarck.

There are no July and August meetings scheduled.

The September board meeting is scheduled for Monday, September 21, 2015.

The meeting adjourned at 11:01 a.m.

Respectfully submitted,

Dr. Brian Duchscherer
SBCTE Chairperson